

INFORMATION REPORT

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SUBJECT Recent Developments in the Soviet Oil Administration (SMV)

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DATE OF INFO. 12 April - 4 May 1950

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SUPPLEMENT TO 25X1A
REPORT NO.SMV Vienna Offices

1. SMV officials recently cancelled their plans to transfer most of the SMV offices in Vienna to the A. Porr A.G. building because they feel the 5,000 schillings monthly rent is too costly for these facilities which need extensive repairs. (1) SMV officials have decided to remain in their present offices at Vienna I, Kantgasse 1. Kusin, Soviet director of the SMV Purchasing Office, is now trying to obtain permission to retain his offices on Schottengasse, Vienna I. If SMV Headquarters approves Kusin's proposal, the only SMV offices which will be moved into the Porr building will be the SMV Central Laboratory which is now at Neusiedl; the E. P. Goesting laboratories; and the natural gas section which now has offices on Habsburgergasse, Vienna I.

Scrap Procurement

2. Kusin has issued an order once again directing SMV enterprises to send their scrap metals to the SMV warehouse in Lobau. Maschek, a KPÖe (Austrian Communist Party) functionary whom the SMV placed in charge of this scrap program, delivered this directive in person to the head of each SMV enterprise. Although SMV officials have not revealed the purpose of this scrap collection, it is known that SMV installations which have accumulated enough scrap to load a minimum of six railroad cars have been instructed to despatch these cars directly to Czechoslovakia. (2)

SMV Refining

3. Renovation of the Nova-Schwechat refinery, which has been re-named Nova-Denow, is now nearing completion. This refinery has already increased its output. In contrast to recent months when Nova-Denow consumed 30 tons of sulfuric acid per month, the SMV Purchasing Office allocated a total of 260 tons of this chemical to Nova-Denow for the months of April and May 1950. The SMV Purchasing Office made the following allocations of sulfuric acid for the month of May 1950:

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CLASSIFICATION

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<u>Refinery</u>	<u>No. of Tons of Sulfuric Acid Allocated</u>
Voessendorf	60
Vacuum Oil Company	60
Moosbierbaum	60
Kledering	45
Korneuburg	45
Shell	30

4. The Korneuburg refinery which heretofore has used about one ton of caustic soda per month, ordered 30 tons of soda in April and an additional 30 tons for the first half of May.

SMV Imports

5. In recent weeks the SMV has received a large volume of pipe shipments from the USSR. Most of this pipe has been sent to the Aderklaa and Matzen fields which are now the most productive fields under Soviet control. During the week of 12-18 April 1950, the SMV Central Warehouse in Neusiedl a/d Zaya received the following shipments from the Soviet Union:

- 3 carloads containing 79,710 kilograms of pipe from Taganrog.
- 7 carloads containing 129,040 kilograms of pipe from Dneprovsk.
- 1 carload containing 19,260 kilograms of pipe from Saratov.

The following import shipments arrived at the SMV Central Warehouse in Neusiedl a/d Zaya during the week of 27 April - 4 May 1950:

- A total of 204,720 kilograms of iron pipe from the USSR: 4 carloads from Karpacinskaya, 2 carloads from Chrompik, 2 carloads from Zepetovska, and 3 carloads from Taganrog. (3)
- 23 cases of ball bearings from Stanke Import, Moscow.
- 7 cases containing a total of 260 kilograms of Eichkraftstoff (sic) from Syntesewerk Schwarzheide, Germany.
- 17 large and 16 small tankcars from an unknown origin in Germany. (4)

SMV Purchases

6. During the week 12-18 April 1950 the SMV Purchasing Office made the following purchases:

<u>Firm</u>	<u>Item Purchased</u>	<u>Payment in Schillings</u>
Josef Altschul (5)	Electrical material	2,627.97
Gustav Zawrzal Kmdt.-Ges.	Electrical material	4,114.00
Hans Ehgartner	Tires	14,045.66
Adolf Franz Herzog	Coal	3,216.63

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<u>Firm</u>	<u>Item Purchased</u>	<u>Payment in Schillings</u>
Josef H. Raindl	Sheet metal	1,256.63
Josef Ruzicka	Brnze	23,445.43
Ehenseer Söway Werke	Caustic soda	27,000.00
" " "	Soda	5,572.50
Friedrich Kolm	Used pipe sleeves	14,344.00
Fritz Scholz	Gas pipe	10,500.00
Iatzel & Kutscha, Gm.b.H.	Pipe sleeves	11,879.34
Anton Michler	Manometer	2,159.20
Elois (sic) (6)	Aluminum cable	6,138.36
Hans & Käthe Heimlicher	Leica camera and optical instruments	7,898.80
Donau Chemie A.G. (5)	Payment on account for sulfuric acid	110,000.00
"Semperit" Gummiwerke A.G.	Tires	120,000.00
" " "	Rubber boots	19,305.00
Schuh- u. Lederfabrik Rehberg, vorm. Franz Gmütt A.G. (5)	Shoes	11,600.00
K. J. Baldauf	Building material	31,960.50
Friedrich F. J. J. J.	Manometer	6,483.50
Hinterregg (7)	Spare parts for trucks	13,113.70
Montanwerke Brixlegg G.m.b.H.	Heavy spar	15,921.00
Kleider A.G.	Verkschutz uniforms	138,000.00
7. During the period from 17 to 27 April 1950, the SMV Purchasing Office made the following purchases:		
Josef Altschul and other Austrian firms	Electrical material	16,629.22
Wiener Kabel u. Metallwerke A.G. (5)	Cable	76,107.72
Sichtermann Draht- und Kabelwerk G.m.b.H.	Cable	8,902.78
St. Egidien Eis- und Stahlindustrie G.m.b.H. (5)	Wire	185,404.00
"Ariadne" Draht- u. Kabelwerke A.G. (5)	Wire	21,298.74
Mannesmann-Trauzl A.G. (5)	Payment on account for pump rods	250,000.00
" " "	Drill rods (Bohrgestänge)	124,670.96
Juschweschtrans	Transportation charges	154,019.10
Teudloff-Vomag A.G. (5)	Valves and slide valves	85,195.00

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<u>Firm</u>	<u>Item Purchased</u>	<u>Payment in Schilling</u>
K. J. Baldauf	Payment on account for cement	500,000.00
Katz & Klump, G.m.b.H., Färnitz bei Villach, Carinthia	Electric light posts	61,220.60
Schoeller-Bleckmann	Steel	24,136.35
Eisen u. Stahlwerke A.G. (5)	Payment on account for sheet metal	29,000.00
Vladimir Slechta vorm. Lederer u. Nessenyi	Fire brick	69,286.03
Osram G.m.b.H. (5)	Electric light bulbs	23,563.50
Accumulatoren-Fabrik G.m.b.H. (5)	Batteries	11,960.29
Friedrich Weichmann's Nachf. G.m.b.H. (5)	Floodlights	9,500.90
Schaeffer & Budenberg G.m.b.H. (5)	Manometer	5,044.00
Brunner Glasfabrik (5)	Window glass	11,040.00
Voitsberg Glasfabrik, Adolf Körbitz (5)	Glass balls	7,700.80
Montanwerke Brixlegg G.m.b.H.	Heavy spar	10,614.00
Ing. Ferd. Eichler	Armatures	1,238.00
Pelzl & Brndl	Truck spare parts	7,235.24
Ridelsteiner (6)	Automobile spare parts	26,452.87
W. Megerle (5)	Paint	4,500.00
Ebenseer Solvay Werke	Payment on account for caustic soda	54,000.00
" " "	Soda	11,492.85
"Chemia" Chemikalien G.m.b.H.	Payment on account for caustic soda	55,000.00
Kellner & Kunz	Tools	9,774.90
Gonsau Chemie A.G. (5)	Payment on account for sulfuric acid	100,000.00
Ferd. Hoffman, Kleider A.G., and other Vienna firms	Work clothing, uniforms, rain-coats, shoes, and rubber boots	118,838.66

Dismantling

3. For the past few weeks the SMV has been dismantling Soviet property at Maustrenk. All of the oil wells have been sealed and wherever possible the SMV has salvaged the oil well pipe. It seems likely that the Soviets may plan to return Maustrenk to the Austrian Government.

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SMV Purchasing Office Personnel

9. A short time ago Kacerovsky, an SMV purchasing agent, and Kauber, his assistant, complained to officials of SMV Headquarters regarding new procedures which Kusin has instituted in the SMV Purchasing Office. As a result of their complaint, Kusin has been reprimanded by SMV Headquarters. Kusin is becoming increasingly unpopular with both Communist and non-Communist employees of the SMV Purchasing Office.

SMV Plans to Manufacture General Motors-Type Nozzles

10. SMV is trying to persuade Engr. Egon Neumann to build a plant for the manufacture of General Motors-type nozzles similar to those which he has procured for the SMV from Germany and Switzerland. The SMV plans to finance the construction of this plant. (8)

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- (1) Source Comment: Source has learned that the information reported regarding the SMV purchase of the A. Porr A.G. building/facilities.

- (2) 25X1X Comment: SMV employees believe most of this scrap will be shipped out of Austria.

- (3) 25X1A Comment: These towns, with the exception of Taganrog, cannot be accurately identified in available USSR gazetteers.

- (3) 25X1A Comment: Zepetovska may be a garble of Shepetovka.

- (4) 25X1X Comment: Schubert, an employee of Juschweschtrans, states that a total of 300 new tankers are scheduled to arrive from Germany. It is also rumored that SMV officials are now awaiting delivery of 30 Skoda passenger vehicles at the Austro-Czech border.

- (5) 25X1A Comment: Firms marked by # (5) are USIA-controlled firms.

- (6) 25X1A Comment: This firm is not listed in the 1950 Handels-Compass or Industrie-Compass, or in the 1949 Vienna telephone directory.

- (7) 25X1A Comment: Source probably refers to A. u. R. Hinteregger, Vienna XV, Johnstrasse 31.

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- (8) 25X1A Comment: subsequent reports.

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